AMENDED IN ASSEMBLY JUNE 18, 2012 AMENDED IN ASSEMBLY JUNE 27, 2011

SENATE BILL

No. 415

Introduced by Senator-Wright Price

February 16, 2011

An act to add Section 4109 to the Food and Agricultural Code, and to amend Section 8300 of the Government Code, relating to the Los Angeles Memorial Coliseum Commission. An act to amend Section 73 of the Streets and Highways Code, relating to highways.

LEGISLATIVE COUNSEL'S DIGEST

SB 415, as amended, Wright Price. Los Angeles Memorial Coliseum Commission. State highways: relinquishment.

Existing law gives the Department of Transportation full possession and control of all state highways. Existing law describes the authorized routes in the state highway system and establishes a process for adoption of a highway on an authorized route by the California Transportation Commission. Existing law also authorizes the commission to relinquish to a county or city any frontage or service road or outer highway, within the county or city territorial limits, associated with a state highway that has been deleted from the state highway system by legislative enactment, and in other certain cases.

This bill would include, as subject to relinquishment, a park-and-ride lot and would also authorize the commission to relinquish any frontage or service road or outer highway or park-and-ride lot to a county transportation commission or regional transportation planning agency.

Under existing law, the Sixth District Agricultural Association, known and designated as the California Science Center, is authorized to build, construct, and maintain and operate a stadium or any arena, pavilion,

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or other building to be used for specified events, including sports events. The California Science Center is also required to work with the Los Angeles Memorial Coliseum Commission, the City of Los Angeles, and the County of Los Angeles to develop additional parking facilities in Exposition Park.

This bill would require the California Science Center, if the Los Angeles Memorial Coliseum Commission fails to perform under or abide by any terms and conditions of a lease between the commission and the California Science Center for the Los Angeles Memorial Coliseum, to become the successor lessor to the commission's interest in the lease and quit and surrender the leased premises to the California Science Center and preserve all assets and minimize all liabilities under the lease, as specified.

Existing law requires that the joint powers agreement entered into by the City of Los Angeles, the County of Los Angeles, and the California Science Center, creating the Los Angeles Memorial Coliseum Commission, be amended to provide that the membership of the commission be increased to include 2 additional ex officio, nonvoting members, one Member of the Senate appointed by the Senate Committee on Rules, and one Member of the Assembly appointed by the Speaker of the Assembly.

Existing law further provides that the 2 additional members shall serve terms that are the same as other members of the commission, and shall participate in the activities of the commission to the extent that their participation is not incompatible with their respective positions as Members of the Legislature. Existing law provides that for these purposes, the Members of the Legislature shall constitute a joint investigating committee on the subject of the commission and shall have the powers and duties imposed upon the committees by the Joint Rules of the Senate and Assembly.

This bill would specify that an ex officio member of the Los Angeles Memorial Coliseum Commission may be present in closed session meetings of the commission, and would also state that this provision is declaratory of existing law.

The bill would express the intent of the Legislature to pursue an appropriate investigation and review of the financial operations, procedures, and financial dealings of the Los Angeles Memorial Coliseum Commission. The bill would also set forth a related statement of findings and declarations.

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Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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The people of the State of California do enact as follows:

SECTION 1. Section 73 of the Streets and Highways Code is amended to read:

73. The commission shall relinquish to any county or city any portion of any state highway within the county or city that has been deleted from the state highway system by legislative enactment, and the relinquishment shall become effective upon the first day of the next calendar or fiscal year, whichever first occurs after the effective date of the legislative enactment. It may likewise relinquish any portion of any state highway that has been superseded by relocation. Whenever the department and the county or city concerned have entered into an agreement providing therefor, or the legislative body or governing board of the county or city, or county transportation commission created pursuant to Chapter 1 (commencing with Section 130000) of Division 12 of the Public Utilities Code, or regional transportation planning agency has adopted a resolution consenting thereto, the commission may relinquish, to that county or city, or county transportation commission created pursuant to Chapter 1 (commencing with Section 130000) of Division 12 of the Public Utilities Code or regional transportation planning agency, any frontage or service road or outer highway or park-and-ride lot, within the territorial limits of the county or city or jurisdiction of the county transportation commission or regional transportation planning agency, which has a right-of-way of at least 40 feet in width and which has been constructed as a part of a state highway project, but does not constitute a part of the main traveled roadway thereof. The commission may also relinquish, to a county or city within whose territorial limits it is located, any nonmotorized transportation facility, as defined in Section 887, constructed as part of a state highway project if the county or city, as the case may be, has entered into an agreement providing therefor or its legislative body has adopted a resolution consenting thereto.

Relinquishment shall be by resolution. A certified copy of the resolution shall be filed with the board of supervisors or the city elerk, as the case may be legislative body or governing board of

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the applicable local agency. A certified copy of the resolution shall also be recorded in the office of the recorder of the county where the land is located and, upon its recordation, all right, title, and interest of the state in and to that portion of any state highway shall vest in the county or city, or with regard to any frontage road, outer highway, or park-and-ride lot, in the county, city, county transportation commission, or regional transportation planning agency, as the case may be, and that highway, road, or portion thereof, or park-and-ride lot shall thereupon constitute a county road-or, city street, or other local facility, as the case may be.

The vesting of all right, title, and interest of the state in and to portions of any state highways heretofore relinquished by the commission, in the county or city to which it was relinquished, is hereby confirmed.

Prior to relinquishing any portion of a state highway to a county or a city, except where required by legislative enactment, the department shall give 90 days' notice in writing of intention to relinquish to the board of supervisors, or the city council, as the case may be. Where the resolution of relinquishment contains a recital as to the giving of the notice, adoption of the resolution of relinquishment shall be conclusive evidence that the notice has been given.

The commission shall not relinquish to any county or city any portion of any state highway that has been superseded by relocation until the department has placed the highway, as defined in Section 23, in a state of good repair. This requirement shall not obligate the department for widening, new construction, or major reconstruction, except as the commission may direct. A state of good repair requires maintenance, as defined in Section 27, including litter removal, weed control, and tree and shrub trimming to the time of relinquishment.

Within the 90-day period, the board of supervisors or the city council may protest in writing to the commission stating the reasons therefor, including, but not limited to, objections that the highway is not in a state of good repair, or is not needed for public use and should be vacated by the commission. In the event that the commission does not comply with the requests of the protesting body, it may proceed with the relinquishment only after a public hearing given to the protesting body on 10 days' written notice.

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SECTION 1. (a) The Legislature hereby finds and declares that the mismanagement of the Los Angeles Memorial Coliseum Commission (hereafter, the commission) and the lack of responsible oversight has placed the commission in a precarious financial and contractual position for all of the following reasons:

- (1) Numerous recent events have raised serious questions about the operation, oversight, and efficiency of the fiscal affairs of the Los Angeles Memorial Coliseum. Recent articles in the Los Angeles Times have reported that three years ago the commission had \$12,000,000 in reserves, that the amount in reserves is now \$1,600,000, and that the commission is expecting an additional deficit of \$302,000 in the fiscal year ending June 30, 2011.
- (2) The commission has announced that it will not be able to undertake the \$60,000,000 in renovations included in the terms of its lease with the University of Southern California.
- (3) A recent scandal exposed by the Los Angeles Times alleges that the former events manager is under investigation by the Los Angeles County district attorney's office and the Fair Political Practices Commission for receiving tens of thousands of dollars from companies doing business with the Los Angeles Memorial Coliseum that the former events manager failed to disclose for four years as required by law. This individual was paid an annual salary of \$189,278, and, in addition, he received more than \$100,000 per year from each of his private companies that did business with the coliseum. Although the former general manager of the coliseum approved the event manager's second job with a private company, the former general manager asserts that he did not approve many of the other deals between the former events manager and the other private companies.
- (b) The Legislature hereby finds and declares that there is a clear need for an independent audit of the operations and financial dealings of the Los Angeles Memorial Coliseum Commission in order to ensure that the funds controlled by the commission are properly administered by the commission.
- SEC. 2. Section 4109 is added to the Food and Agricultural Code, to read:
- 37 4109. (a) As used in this section, the following definitions 38 shall apply:

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1 (1) "Association" means the Sixth District Agricultural
2 Association, also known and designated as the California Science
3 Center.

- (2) "Commission" means the Los Angeles Memorial Coliseum Commission, a joint powers authority created by a joint powers agreement pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code.
- (3) "Lease" means the lease and agreement, designated as the Coliseum Lease of 1955, executed on January 3, 1956, by and between the association and the commission, including the Amendment to Coliseum Lease, executed on February 13, 2008, by and between the association and the commission.
- (b) Notwithstanding any other law, or any provision of the lease, if the commission fails to perform under or abide by any of the terms and conditions of the lease, including, but not limited to, the timely payment of rent payments to the association, the association shall, upon 30 days' written notice, become the successor lessor in the lease and shall do both of the following:
- (1) Quit and surrender the leased premises to the association-lessor, as provided in Article 7 of the lease.
- (2) Preserve all assets, minimize all liabilities, and cooperate with the association, including providing, among other things, that the maintenance staff shall be under the direction and control of the association.
- SEC. 3. Section 8300 of the Government Code is amended to read:
- 8300. (a) The joint powers agreement entered into by the City of Los Angeles, the County of Los Angeles, and the Sixth District Agricultural Association known and designated as the California Science Center, creating the Los Angeles Memorial Coliseum Commission, shall be amended to provide that the membership of the commission shall be increased to include two additional ex officio, nonvoting members, one Member of the Senate appointed by the Senate Committee on Rules, and one Member of the Assembly appointed by the Speaker of the Assembly.
- (b) The two additional ex officio members shall serve terms that are the same as other members of the commission, and shall participate in the activities of the commission to the extent that their participation is not incompatible with their respective positions as Members of the Legislature. For the purposes of this

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section, the Members of the Legislature shall constitute a joint investigating committee on the subject of the commission and shall have the powers and duties imposed upon the committees by the Joint Rules of the Senate and Assembly.

(c) An ex officio member of the Los Angeles Memorial Coliseum Commission may be present in closed session meetings of the commission. This provision is declaratory of existing law.

SEC. 4. It is the intent of the Legislature to pursue an appropriate investigation and review of the financial operations, procedures, and financial dealings of the Los Angeles Memorial Coliseum Commission.

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